

Message Text

UNCLASSIFIED

PAGE 01 BONN 02840 01 OF 02 151734Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02 CIEP-02
LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 MMO-04
/098 W

-----151823Z 050797 /47

R 151704Z FEB 77
FM AMEMBASSY BONN
TO SECSTATE WASHDC 5648
DEPARTMENT TREASURY
INFO USMISSION OECD PARIS
USMISSION EC BRUSSELS

UNCLAS SECTION 01 OF 02 BONN 02840

DEPARTMENT PASS FEDERAL RESERVE

E.O. 11652: N/A
TAGS: EFIN, GW
SUBJECT: GERMAN BALANCE OF PAYMENTS IN DECEMBER
AND THE FULL YEAR 1976

REF: CERP 0102

1. TRANSMITTED HEREWITH ARE GERMAN BALANCE OF PAYMENTS
DATA FOR DECEMBER 1976 AND THE FULL YEAR 1976, AND FOR
COMPARISON, THE FULL YEAR 1975

DECEMBER JANUARY-DECEMBER
1976 1976 1975
(IN MILLIONS OF DM)

EXPORTS	24,274	256,173	221,589
IMPORTS C.I.F.	20,999	221,638	L84,313
TRADE BALANCE	3,275	34,535	37,276
SUPPLEMENTARY TRADE ITEMS	-265	-738	-2,032
UNCLASSIFIED			

UNCLASSIFIED

PAGE 02 BONN 02840 01 OF 02 151734Z

TRADE BALANCE (INCLUDING SUPPLEMENTARY ITEMS)	3,010	33,797	35,244
SERVICES	-200	-7,810	-8,678
UNILATERAL TRANSFERS	-1,900	-17,526	-17,089
BALANCE OF INVISIBLES	-2,100	-25,336	-25,767
CURRENT ACCOUNT BALANCE	910	8,461	9,477
LONG-TERM CAPITAL			

DIRECT INVESTMENT	-407	-1,945	-1,615
PORTFOLIO INVESTMENT	71	3,851	-4,156
CREDITS AND LOANS	-1,001	-3,695	-11,400
OTHER	-40	-557	-542
OFFICIAL	13	2,366	1,162

BALANCE OF LONG-TERM

CAPITAL	-1,364	18	-16,552
---------	--------	----	---------

SHORT-TERM CAPITAL

COMMERCIAL BANKS	3,565	7,615	-2,262
PRIVATE NON-BANKS	-1,488	-2,839	6,443
OFFICIAL	-724	-226	663

UNRECORDED TRANSACTIONS	-1,215	-4,239	12
-------------------------	--------	--------	----

BALANCE OF SHORT-TERM

CAPITAL	138	311	4,856
---------	-----	-----	-------

DM REVALUATION

LOSS/DEVALUATION

PROFIT	-7,489	-7,489	5,480
--------	--------	--------	-------

NET FOREIGN POSITION

OF BUNDES BANK (IN-
CLUDING REVALUATION)

LOSS/DEVALUATION

PROFIT	-7,805	1,301	3,261
--------	--------	-------	-------

2. BASED ON SEASONALLY ADJUSTED DATA EXPORTS DECLINED IN NOVEMBER/DECEMBER BY ABOUT 4 PERCENT AS COMPARED WITH SEPTEMBER/OCTOBER WHILE IMPORTS INCREASED BY ALMOST 2 PERCENT. THE BUNDES BANK, HOWEVER, STATES THAT THESE DEVELOPMENTS IN PART REFLECT SPECULATION BEFORE THE DM REVALUATION IN MID-OCTOBER RESULTING IN AD-
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BONN 02840 01 OF 02 151734Z

VANCING OF EXPORTS AND A POSTPONEMENT OF IMPORTS.

3. THE SHIFT FROM THE DM 0.2 BILLION SERVICES SURPLUS RECORDED IN NOVEMBER TO A DM 0.2 BILLION DEFICIT IN DECEMBER IS ATTRIBUTABLE TO A SEASONAL INCREASE IN DECEMBER OF GERMAN TOURIST EXPENDITURES ABROAD AND TO YEAR-END PROFIT PAYMENTS BY GERMAN FIRMS TO FOREIGNERS. THE INCREASE IN THE TRANSFERS DEFICIT FROM DM 1.3 BILLION IN NOVEMBER TO DM 1.9 BILLION IN DECEMBER MAINLY REFLECTS AN INCREASE IN FRG PAYMENTS TO THE EC.

4. FOREIGN PORTFOLIO INVESTMENT (NET) IN GERMAN SECURITIES WHICH HAD BEEN RATHER HIGH IN RECENT MONTHS (DM 0.4 BILLION IN NOVEMBER AND DM 1.1 BILLION IN

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 BONN 02840 02 OF 02 151732Z

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02 CIEP-02
LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 MMO-04
/098 W

-----151823Z 050783 /47

R 151704Z FEB 77

FM AMEMBASSY BONN
TO SECSTATE WASHDC 5649
DEPARTMENT TREASURY
INFO USMISSION OECD PARIS
USMISSION EC BRUSSELS

UNCLAS SECTION 02 OF 02 BONN 02840

OCTOBER) DECLINED TO DM 0.1 BILLION IN DECEMBER.

5. AS USUAL, IN DECEMBER GERMAN BANKS IMPORTED SUBSTANTIAL SHORT-TERM FUNDS FROM ABROAD FOR WINDOW-DRESSING PURPOSES. THEY INCREASED FOREIGN LIABILITIES BY DM 7 BILLION BUT, AT THE SAME TIME, INCREASED FOREIGN ASSETS BY DM 3.5 BILLION. THEREFORE, NET BANK SHORT-TERM CAPITAL IMPORTS AMOUNTED TO DM 3.6 BILLION ONLY. THE SHORT-TERM FOREIGN INDEBTEDNESS OF GERMAN FIRMS, ON THE OTHER HAND, DECLINED BY DM 1.5 BILLION IN PART PROBABLY REFLECTING SIMILAR WINDOW-DRESSING DESIRES OF THE LENDING FOREIGN BANKS.

6. IN THE FULL YEAR 1976 GERMANY RECORDED A BALANCE OF PAYMENTS SURPLUS OF DM 8.8 BILLION. SURPLUSES RESULTED DURING PERIODS OF SPECULATION ON A DM REVALUATION, I.E., IN FEBRUARY/MARCH (DM 9.7 BILLION) AND IN AUGUST-OCTOBER (DM 6.5 BILLION). THE LONG-TERM CAPITAL ACCOUNT WAS IN BALANCE AND BOTH TRADE AND CURRENT

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 02840 02 OF 02 151732Z

ACCOUNT SURPLUSES WERE SLIGHTLY LOWER THAN IN 1975.

7. THE DM 8.8 BILLION BALANCE OF PAYMENTS SURPLUS WAS REDUCED BY DM 7.5 BILLION TO DM 1.3 BILLION DUE TO AN ADJUSTMENT IN THE VALUE OF THE BUNDESBANK'S FOREIGN ASSETS AND LIABILITIES TO ACCOUNT FOR THE 11 PERCENT REVALUATION OF THE DEUTSCHE MARK AGAINST THE DOLLAR DURING 1976. THE VALUATION OF THE BUNDESBANK'S GOLD HOLDINGS REMAINED UNCHANGED AT \$42.2 PER OUNCE. THE BUNDESBANK EXPECTS, HOWEVER, THAT ITS 1976 PROFIT RESULTING FROM NORMAL TRANSACTIONS WOULD REDUCE THE DM 7.5 BILLION BOOKLOSS TO DM 3 BILLION.

STOESSEL

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE DATA, BALANCE OF PAYMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 15-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BONN02840
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770053-1064
Format: TEL
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770242/aaaabkxz.tel
Line Count: 181
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4e4acec6-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3323800
Secure: OPEN
Status: NATIVE
Subject: GERMAN BALANCE OF PAYMENTS IN DECEMBER AND THE FULL YEAR 1976
TAGS: EFIN, GE
To: STATE TRSY
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/4e4acec6-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009